REMARKS

Claims 1, 5, 7 and 11-14 are pending in this application. By this Amendment, claims 1 and 7 are amended. No new matter is added. Reconsideration based on the above amendments and following remarks is respectfully requested.

The Office Action rejects claims 1, 5, 7 and 11 under 35 U.S.C. §103(a) over Bowman (U.S. Patent No. 5,999,623) in view of Richards (U.S. Patent No. 6,069,957), Dillon (U.S. Patent No. 5,727,065) and Downs (U.S. Patent No. 6,226,618); and rejects claims 12-14 under 35 U.S.C. §103(a) over Bowman in view of Richards, Dillon and Downs, and further in view of Stefik (U.S. Patent No. 5,634,012). The rejections are respectfully traversed.

In particular, neither Bowman, Richards, Dillon , Downs or Stefik, individually or in combination, disclose or suggest at least executing accounting to an end user only if said encrypted content is decrypted by the end user, as recited in independent claim 1, and similarly set forth in independent claim 7.

Both Bowman and Richards pertain to methods and systems used in cable television broadcasts to automatically encrypt/decrypt information so that access is restricted or limited to only customers that have already selected (and paid) to receive cable television broadcasts.

Dillon discloses that periodically, e.g., once a month, the security engine 130 encrypts its billing information concerning documents received by the receiving computer 110 during the past month and sends the encrypted billing information to the broadcast center 150. See col. 7, lines 26-30.

Downs discloses a method and apparatus of securely providing data to a user's system.

Stefik discloses a fee accounting mechanism for reporting fees associated with the distribution and use of digital works.

In contrast to the claimed invention, neither Bowman, Richards, Dillon , Downs or Stefik, individually or in combination, disclose or suggest at least executing accounting to an

end user <u>only if said encrypted content is decrypted by the end user</u>. On the contrary, no where are these features disclosed or suggested. In fact, the security engine 130 in Dillon instead periodically encrypts its billing information concerning documents received by the receiving computer 110 during the past month and sends the encrypted billing information to the broadcast center 150 <u>regardless</u> of whether the documents have been decrypted.
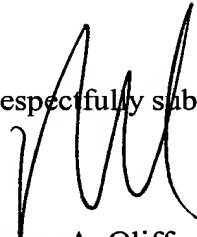
Because the applied references fail to disclose these features, any combination of the applied references would <u>not</u> have resulted in a device with improved distribution of digital contents and a reduction is falsified accounting data.

Accordingly, independent claims 1 and 7 are patentable over the applied art. Claims 5 and 11-14, which depend from claims 1 and 7 respectively, also are patentable over the applied art for at least the reasons discussed above. Accordingly, withdrawal of the rejections under 35 U.S.C. §103(a) is respectfully requested.

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance of claims 1, 5, 7 and 11-14 are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,

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